

# Congress of the United States

Washington, DC 20515

June 25, 2002

The Honorable Bill Young  
Chairman  
Committee on Appropriations  
H-218, the Capitol  
Washington, D.C. 20515

The Honorable Harold Rogers  
Chairman  
Subcommittee on Transportation  
2358 Rayburn HOB  
Washington, DC 20515

Senator Robert C. Byrd  
Chairman  
Committee on Appropriations  
S-128 Dirksen  
Washington, DC 20510

Senator Patty Murray  
Chairman  
Subcommittee on Transportation  
SD-133 Dirksen  
Washington, DC 20510

The Honorable David R. Obey  
Ranking Democratic Member  
Committee on Appropriations  
1016 Longworth HOB  
Washington, DC 20515

The Honorable Martin Olav Sabo  
Ranking Democratic Member  
Subcommittee on Transportation  
1016 Longworth HOB  
Washington, DC 20515

Senator Ted Stevens  
Ranking Member  
Committee on Appropriations  
S-146A Dirksen  
Washington, DC 20510

Senator Richard C. Shelby  
Ranking Member  
Subcommittee on Transportation  
SH-123 Hart  
Washington, DC 20510

Dear Colleagues:

We are writing to urge you to include \$200 million for the National Railroad Passenger Corporation, Amtrak, in the Supplemental Appropriations bill for fiscal year 2002. Amtrak's new President and CEO, David Gunn, has determined that Amtrak will have to shut down its entire operation within a few days if such funds are not forthcoming. Such an event clearly would not be in the public interest.

Amtrak's financial difficulty is not of its own making. The crisis it faces is due to several factors. First, Amtrak would normally have access to private capital markets, but this avenue has been blocked because Amtrak's auditor, KPMG, has not been able to classify Amtrak as a "going

concern." KPMG's reluctance to issue a "going concern" finding is due in large part to the uncertainty surrounding Amtrak's future. That uncertainty, in turn, was created by the recent Amtrak Reform Council report finding that Amtrak would not attain operating self-sufficiency as required by Congress under the Amtrak Reform and Accountability Act of 1997. That legislation mandated that Amtrak achieve operating self-sufficiency by the end of 2002. If the Amtrak Reform Council determined that Amtrak would not reach the goal, the Council was to submit a plan for Amtrak's reorganization and Amtrak was to submit a plan for its own liquidation.

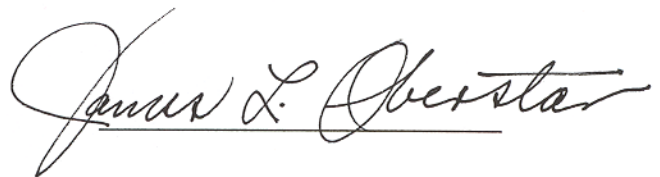
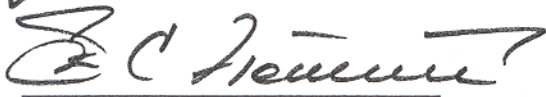
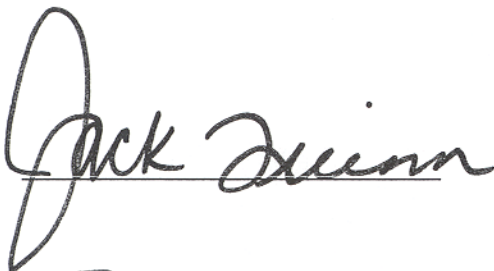
On November 9, 2001, ARC made its finding that Amtrak would not achieve self-sufficiency and submitted its suggestions for restructuring Amtrak on February 7, 2002. The Congress, recognizing the inappropriateness of the entire process, repealed the requirement that Amtrak file a plan for its own liquidation. Unfortunately, by that time the damage had been done. Amtrak's access to the nation's capital markets was undercut by the uncertainty created by the ARC report.

The problem was compounded when the Administration allocated just \$521 million for Amtrak as a placeholder in its budget. This would be far short of the \$1.2 billion Amtrak had identified as the minimum needed to operate the national route system. This created still more uncertainty about Amtrak's future in the capital markets.

Thus, unattainable Congressional goals that forced unfortunate managerial choices combined with the ARC report have undermined Amtrak's financial viability and access to capital. It is imperative that we correct this public policy misadventure. Failure to appropriate the needed funds will not only mean the suspension of Amtrak service in the busy Northeast Corridor and the likely permanent loss of its long-distance trains, it will also mean that thousands of commuters around the nation will be stranded as Amtrak will cease operating and dispatching those services as well.

We urge you to appropriate the funds that Amtrak needs to continue operating to the end of FY 2002.

Sincerely,



Pete Meyer with mother Mr. & Mrs. Meyer

Samuel L. Bunch

Robert D. Bunch

Ellen Dauscher

Eleanor H. Norton

Gene Taylor

Art Riball

Udie Prince Johnson

Shelley D. Doherty

T. Holden

Bob Buscic

Rod R. Haggjend

Joe Hoegge

Chobby L. Rush

Earl Pomeroy

Robert Anderson

Ben Lucas

Carolyn McCartney

Danny H. Davis

David Price

William L. W. W. W. W.

Tom P. Hall

John A. G. G. G.

Ronnie Shure

Elvis E. Canning

Norman G. G. G.

Eddie Bernice Johnson

Bill Pasorel

Elis L. Engel

Julia Carson

Frank Peltore, Jr.

Earl Blumenauer

Brian Boni

William O. L. L.

James M. M. M.

Walter M. M. M.

Levold Nadler



Ken King

Patrick J. Kennedy

Tia Johnson

Peter J. Hurcap

Mike Daye

J. C. C.

Donald Shea

Rosa L. J. Carr

Marcy Kaptur

Janet Hogue

Jim Cusack

Jim Langerin

Lynn N. Rivers

Ann Hight

George W. Jones

Doug Berentzen

Bob Sul

Sherry Radcliff

Joe J. Ladd

Steve Horn

Barbara Lee

John Baldacci

Ed Markey

Betty McCollum

Marty Meehan

Tammy Baldwin

Jim Mattars

Jimmy J. Costello

Steven Nathman

Karen McCarthy

Tom Udall

Barry Rank

Phil English

Jim Langwin

Bob Filner

Mark Udall

Paul Sand

George Miller

William J. Cope

John M. McHugh

Ben Selman

James Greenwood

Jim Moran

Wayne T. Gilchrist

Brad Sherman

Jim L. Price

John W. Oliver

Marge Paulina

J. Barcia

John Longyear

Ellis Smith

Nancy L. Johnson

Dr. Albury

Willie Delake

Willie Ferguson

Kary L. Ackema

Rick Zansen

John F. Tenny  
Carl Weldon

Corine Brown

Chris V. Antkowiak

Jerry Kaczka

John Schaberg

Laurie M. Haugsten

Lois Capps

Carolyn B. Maloney

Ed Pastor

Carolyn C. Kilpatrick

Mike Rove

Wm. Lacy Clay



Myri R Owens

Nafai

David Wu

Paul Bet

RK Simmons  
CT/2